

AT A SPECIAL MEETING OF THE BOARD OF SUPERVISORS OF THE COUNTY OF MONTGOMERY, VIRGINIA HELD ON THE 4th DAY OF OCTOBER, 2010 AT 5:00 P.M. IN THE COUNTY ADMINISTRATION SUITE, MONTGOMERY COUNTY GOVERNMENT CENTER, 755 ROANOKE STREET, CHRISTIANSBURG, VIRGINIA:

PRESENT:	Annette S. Perkins	-Chair
	James D. Politis	-Vice Chair
	Mary W. Biggs	-Supervisors
	William H. Brown	
	Gary D. Creed	
	Doug Marrs	
	John A. Muffo	
	F. Craig Meadows	-County Administrator
	L. Carol Edmonds	-Assistant County Administrator
	Martin M. McMahon	-County Attorney
	Ruth L. Richey	-Public Information Officer

CALL TO ORDER

The Chair called the meeting to order.

INTO WORK SESSION

On a motion by William H. Brown, seconded by Mary W. Biggs and carried unanimously,

BET IT RESOLVED, The Board of Supervisors hereby enters into Work Session for the purpose of discussing the following:

1. Reassessment
2. Land Use Changes
3. FY 10 Year End Update
4. Refunding of Bonds

The vote on the foregoing motion was as follows:

<u>AYE</u>	<u>NAY</u>
Gary D. Creed	None
William H. Brown	
James D. Politis	
Mary W. Biggs	
Doug Marrs	
John A. Muffo	
Annette S. Perkins	

Reassessment

The Board was provided an update on the reassessment process in Montgomery County. State laws requires counties to have a general reassessment every four years unless the population is less than 50,000. The goal of mass appraisal it to produce accurate appraisals and equitable assessments.

The County's real estate market has not been subject to the extreme highs and lows in values seen in other parts of the country. Real estate values have stagnated instead of falling due to the diverse economy in Montgomery County which provides an insulating influence. Montgomery County does not depend solely on industrial type business.

To date, the values change countywide appears to be at 3% growth. Some areas show healthy gains while other areas show a decline. Home sales in Montgomery County declined slightly; however, the value of large, vacant areas of land increased in value.

Reassessment notices will be mailed on October 12, 2011, and informal hearings with the assessors will begin November 1.

Land Use Changes

Alice Jones, Commissioner of the Revenue was present to update the Board on the land use values in Montgomery County. Ms. Jones reported that she is proposing to increase the land use values in 2011, which will revert to the values used from 1999 to 2006. The new values are as follows:

<u>Soil Class:</u>	<u>Value per Acre</u>
I	\$840
II	\$760
III	\$560
IV	\$450
V	\$
VI	\$280
VII	\$160
VIII	\$50
Forest	\$300

Land in the Land Use Program is not assessed and instead falls into one of eight soil classes. The U.S. Department of Agriculture determines these soil qualities and the county sets the land values for each.

Ms. Jones stated that the increase will keep the County more aligned with surrounding localities.

FY 10 Year End Update

A presentation was given on the County's FY 10 Revenue Collection and General Fund Cash Balance. The undesignated revenues fell short of estimates by \$1.0 million or 1.29% due to a decline in motor vehicle valuation on the personal property book, decline in sales tax in the County, and decline in public service corporation payments and delinquent tax collected. This shortfall was anticipated and reported early to make adjustments during the budget process.

An update on the FY 12 Budget development was provided as follows:

- Operating Cost Increases: Departmental operating budgets have been reduced for the past two years.
- 13 full-time employees (FTE) positions have been frozen and 10 FTE positions have been eliminated in prior years. Some positions may need to be filled in FY 12 in order to address the Boards' priorities.
- Increases in health insurance, VRS, etc., are expected in FY 12.
- Additional state funding cuts may occur. More will be known after the General Assembly adopts the State's budget.

Refunding of Bonds

As a follow-up to the Board of Supervisors meeting on September 26, 2010, additional information was provided on the proposed refunding of the County's Series 2001 Lease Revenue Bonds originally issued in the amount of \$16,995,000. A refunding would result in a present value savings between \$924,856 and \$986,086 over twelve years.

OUT OF WORK SESSION

On a motion by Doug Marrs, seconded by Mary W. Biggs and carried unanimously,

BE IT RESOLVED, The Board of Supervisors ends their Work Session to return to Regular Session.

The vote on the foregoing motion was as follows:

<u>AYE</u>	<u>NAY</u>
William H. Brown	None
James D. Politis	
Mary W. Biggs	
Doug Marrs	
John A. Muffo	
Gary D. Creed	
Annette S. Perkins	

ADJOURNMENT

The Board adjourned to Tuesday, October 12, 2010 at 6:00 p.m.

The vote on the foregoing motion was as follows:

<u>AYE</u>	<u>NAY</u>
James D. Politis	None
Mary W. Biggs	
Doug Marrs	
John A. Muffo	
Gary D. Creed	
William H. Brown	
Annette S. Perkins	

The meeting adjourned at 6:30 p.m.

APPROVED: _____	ATTEST: _____
Annette S. Perkins	F. Craig Meadows
Chair, Board of Supervisors	County Administrator